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TIME
20 November 1978

World

IRAN

The Shah's Fight for Survival

He names a military government and promises reform—but is it all too late?

The tone was contrite. The words were conciliatory. The old imperial arrogance was gone. "Your revolutionary message has been heard," said Shah Mohammed Reza Pahlavi. "I am aware of everything you have given your lives for. I commit myself to make up for past mistakes, to fight corruption and injustice, and to form a national government to carry out free elections."

The speech was unprecedented for Iran's proud autocrat. It reminded some history-conscious observers of the last days of Imperial Russia's Czar Nicholas II in 1917, or France's King Louis XVI

Saturday night, students at the University of Tehran tore down a statue of the Shah that stood at the entrance to their campus. Iranian soldiers, who had been under orders to use restraint since the "Black Friday" demonstrations on Sept. 8 that left hundreds dead, suddenly turned tough and fired into the crowd, killing eight and wounding 82.

Next day thousands of students who had gathered at the university to mourn the dead surged through its gates into downtown Tehran. They burned buildings, sacked hotels, trashed cinemas, bars, liquor stores and airline offices, which

prominent Iranian officials, including Amir Abbas Hoveida, 59, the Shah's Premier from 1965 to 1977, and General Nematullah Nasiri, 71, former head of SAVAK, Iran's dreaded secret police, were arrested and held for trial on charges of corruption and abuse of power. At week's end the government also arrested Karim Sanjabi, leader of the opposition's National Front, and ordered troops to help man the strikebound oilfields.

The Shah announced that a special commission would investigate charges of financial manipulations that have enriched the royal family. Earlier this fall, he ordered his relatives to divest themselves of any financial interest in government enterprises. Since then, 64 members of the royal family—all except the Shah, Empress Farah and their three youngest children—have left the country, presumably taking their riches with them. The Shah said that a second commission would look into the Pahlavi Foundation, a tax-free charitable organization with annual revenues estimated at \$500 million, which controls vast industrial and business holdings in the country.



The Shah (left) with General Gholam Reza Azhari (center) and other members of new Cabinet
In one hand a letter of repentance, in the other a machine gun and a bayonet.

trying to stem the revolutionary fervor that was eventually to sweep him from his throne in 1792. In a televised address to his rebellious country, the Shah announced that he was placing strife and strike-torn Iran under temporary military rule. Simultaneously, however, he pledged to meet virtually all the demands of his regime's opposition—all, that is, except for his own abdication from the Peacock Throne.

The Shah's decision to call in the military came after a weekend of savage rioting in the capital, Tehran. The violence followed a period of frantic but unsuccessful efforts by the Shah to put together a coalition government that would include members of the opposition National Front, an alignment of moderate political groups as well as the two leading Muslim religious leaders, the ayatollahs Khomeini and Shariatmadari (see box) in

have come to be reviled by both leftists and religious rightists as detested symbols of Western economic domination. This time the troops did nothing. The Shah decided it was time to act. He asked for the resignation of Premier Jaafar Sharif-Emami and his ten-week-old government. On Sunday evening, the Shah named General Gholam Reza Azhari, 61, a career officer who has been Chief of Staff of the armed forces since 1971, as Premier and head of a new Cabinet composed of nine military leaders and twelve civilians.

The new Premier declared that "the main program of my government is to re-establish an all-embracing peace and security through a campaign against financial and social corruption to an extent that will convince all honest Iranians." Corruption has emerged as one of the most in-
general wasted no time. More than 35

For opponents of the Shah, the political moves were a case of too little and too late—and may well have reinforced their feeling that the monarch was on the ropes. As a high-ranking Iranian officer said, "The more you feed an alligator, the bigger and hungrier it becomes." From his home in exile outside Paris, Ayatollah Khomeini castigated the imposition of military rule as a "plot that will not work." Said Khomeini: "In one hand, the Shah held a letter of repentance for his crimes, but in the other hand he held a bayonet and a machine gun." National Front Leader Sanjabi had returned from Paris adamantly opposed to any compromise with the Shah. Before his arrest, Sanjabi reiterated the National Front's call for a referendum on the monarchy.

After the military government was installed, the number of violent incidents dropped notably. Army reinforcements moved into Tehran. There are now 100,000 soldiers in the capital alone, supported by more than 200 tanks. Many youthful agitators went underground. With all schools and universities closed and the country's 400,000 teachers still on strike, there was no place for student protesters to congregate. But the Shah remained adamant that the Shah must go, although for

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13 November 1978

Gave Arms Documents to Jackson Aide

CIA Analyst Forced Out After Passing Papers to Hill

New York Times News Service

NEW YORK — A strategic analyst for the CIA was forced to resign last summer after confessing he had supplied copies of top-secret CIA reports on strategic arms limitation talks to a key staff aide of Sen. Henry M. Jackson, a leading critic of the arms negotiations, administration and intelligence sources said.

The analyst, David S. Sullivan, admitted passing the documents to Richard Perle, Jackson's aide for disarmament matters, after being ordered to take a lie detector test, the sources said. He now is working as an adviser on the arms talks and other issues for Sen. Lloyd Bentsen, D-Tex.

Stansfield Turner, director of Central Intelligence, was described by associates as being outraged by Sullivan's "insubordination" — as one official put it — as well as the decision of Jackson, D-Wash., and Perle, who have high security clearances, to receive the working-level documents.

THE MATERIALS included some of the government's most closely held information on sources and methods of obtaining information about the Soviet Union, officials said.

Some officials involved in the arms talks depicted Sullivan's act as an example of the kind of "hardball" — as one senior official said — that will be played next year over the pending ratification of a new agreement with the Soviet Union.

Others saw the CIA's decision not

to seek further sanctions against Sullivan, who recently was issued top-secret clearances by the departments of Defense and Energy, as an example of a double standard on the part of the Carter administration in so-called "whistle-blowing" cases, in which government employees make public what they consider to be wrongdoing or incompetence.

The administration filed a civil suit against Frank Snepp, a former CIA employee with a liberal point of view who wrote a book on his experiences in Vietnam without CIA clearance.

Turner has met at least twice with Jackson since Sullivan left the agency Aug. 25, officials said, and urged him to dismiss Perle.

"That's what we did on our end," one source quoted the admiral as telling the senator, in effect, "and that's what you should do on your end."

JACKSON AND PERLE have apologized to Turner for their part in receiving the documents, which were returned to the CIA, the sources said.

Jackson, who was said late last week to be on vacation somewhere in California, could not be located by a reporter for comment. Perle, reached yesterday, refused to comment. "I don't have anything to say," he said. "Frankly, I don't think there's much of a story."

One government official explained that Turner was unable to do more than dismiss Sullivan for insubordination and issue a letter of reprimand because no federal law had been violated.

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14 November 1978

The Editor
Michigan Daily
University of Michigan
420 Maynard Street
Ann Arbor, Michigan 48107

Dear Sir:

In your 24 October 1978 editorial, "The CIA on Campus," you contend that "no one seems to have authority over the CIA," that the CIA has "too long been permitted to continue their surreptitious activities outside the sphere of civilian control" and "that the agency has gotten out of control is apparent." This assertion is incorrect both historically and as regards CIA activities today.

The Senate Select Committee chaired by Senator Church stated in Book I of its final report, "The CIA has come to be viewed as an unfettered monolith, defining and determining its activities independent of other elements of government and of the direction of American foreign policy. This is a distortion. During its twenty-nine year history, the Agency has been shaped by the course of international events, by pressures from other government agencies, and by its own internal norms. An exhaustive history of the CIA would demand an equally exhaustive history of American foreign policy, the role of Congress and the Executive, the other components of the Intelligence Community, and an examination of the interaction among all these forces."

Although never released to the public, the report of the House Committee on Intelligence (Pike Committee) was reported in Village Voice to have arrived at an even more categorical conclusion concerning the control of the CIA: "All evidence in hand suggests that the CIA, far from being out of control, has been utterly responsive to the instructions of the President and the Assistant to the President for Security Affairs."

After the first session of the 95th Congress came to a close, Senator Daniel K. Inouye, Chairman of the Senate Select Committee on Intelligence, reported to the Senate that, "There is no question that a number of abuses of power, mistakes in judgment, and failures

by the intelligence agencies have harmed the United States. In almost every instance, the abuses that have been revealed were a result of direction from above, including Presidents and Secretaries of State. Further, in almost every instance, some members of both Houses of Congress assigned the duty of oversight were knowledgeable about these activities."

Today, the President's Executive Order 12036, signed January 24, 1978 (copy enclosed) lays out specific directions for carrying out intelligence activities, restrictions on those activities, and creates several new mechanisms for oversight.

In the Executive Branch, the new Intelligence Oversight Board, composed of three distinguished civilians from outside the government, are directed to investigate all allegations of illegal or improper intelligence activity. Anyone may communicate directly with that Board. Their findings go directly to the President.

In the Legislative Branch, a select committee on intelligence exists in both the Senate and the House. They are kept fully informed of intelligence activities and, in turn, exercise genuine control over all such activities. There is no question in my mind or in the mind of anyone in the Intelligence Community that we are held accountable for what we do.

These two Congressional committees are now in the process of drafting charters which will codify in federal law the various restrictions and limitations as well as the missions of the Intelligence Community. I fully and actively support that endeavor.

Consequently, rather than being out of control as you allege, the United States Intelligence Community, and specifically the CIA, are under the tightest internal and external controls of their history.

Further, you find my refusal to comply with Harvard's faculty guidelines peremptory and outrageous. In fact, it is neither. The CIA and Harvard have been engaged in a productive dialogue for over a year. During that time the majority of our differences have been reconciled. There remain but three points of difference:

1. The Harvard guidelines require that relationships between Harvard faculty members and the CIA be reported to the Harvard administration.

CIA has no objection to this requirement but believes it is the prerogative of the faculty member to reveal those relationships which are external to his faculty responsibilities, not the CIA. CIA considers all such relationships private and personal. The faculty member may deal with them in any way he chooses.

2. That only relationships with intelligence agencies are required to be so revealed.

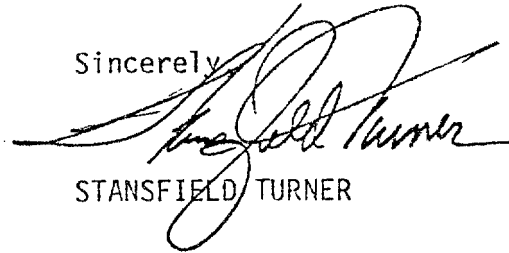
While the guidelines you propose in your subsequent editorial, "The University Guidelines" on 29 October 1978, recognizes the diverse opportunities for conflict of interest which are present on all campuses, e.g., consulting arrangements with businesses, private publication opportunities, part-time jobs, etc., Harvard's guidelines do not. It seems naive to me to assume that only a relationship with an intelligence agency has the potential for conflict or for infringing on academic or personal freedom. Additionally, this requirement infers that all other relationships are preferable to one with the U.S. Government. This is neither sound logic nor realistic. If this guideline were extended to cover all business or professional relationships external to the faculty member's university responsibilities, CIA would have no objection.

3. That CIA should not establish any confidential relationships with faculty members for the possible purpose of assessing or contacting foreign students.

Again, in light of the thousands of confidential recommendations prepared annually by faculty members for students applying to businesses, graduate schools, and other government agencies, a guideline prohibiting the same kind of recommendation to the Intelligence Community is inconsistent with recognized and accepted faculty practice. No student at a university is totally free of confidential appraisal in one form or another; none of us is either in school or at work. If a particular student's qualifications result in a specific work or study proposal by a business, another university, or a government agency, and the student is not interested, the student is free to decline the proposal. It is difficult to see how this abridges anyone's freedom.

I am enclosing a copy of the CIA's internal regulation governing our relationships with academic institutions and a statement I made at the University of Kentucky which describes those relationships and the oversight process in greater detail.

Sincerely,

A handwritten signature in dark ink, appearing to read "Stansfield Turner", written over the word "Sincerely,".

STANSFIELD TURNER

Enclosures
As stated